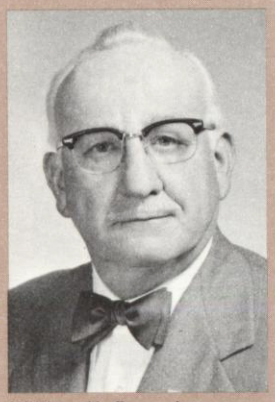
CLEVELAND PUBLIC LIBRARY
BUSINESS INF. BUR.
CORPORATION FILE

Lucky
ANNUAL REPORT
1973

THE YEAR IN BRIEF

	1973	1972	% of Increase (Decrease)
SALES	$2,290,498,000	$1,988,376,000	15.2
EARNINGS (Before Taxes on Income)	62,330,000	57,434,000	8.5
NET EARNINGS	32,344,000	30,500,000	6.0
EARNINGS Per Common Share	.99	.94	5.3
Per Share—Fully Diluted	.97	.92	5.4
As a percent of Sales	1.41%	1.53%	(7.8)

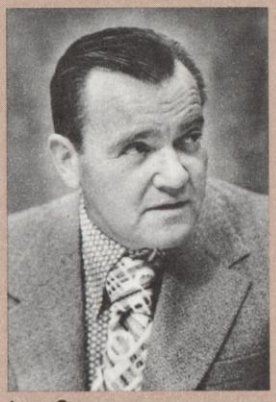


William H. Dyer, Jr.

Wayne H. Fisher

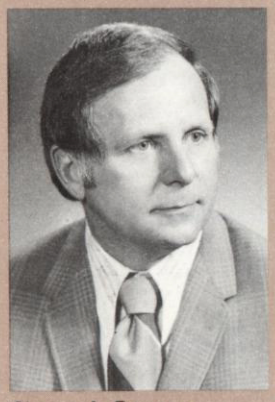
Gerald A. Awes

James L. Stell



Ivan Owen

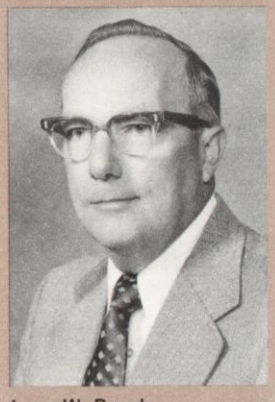
S. Donley Ritchey



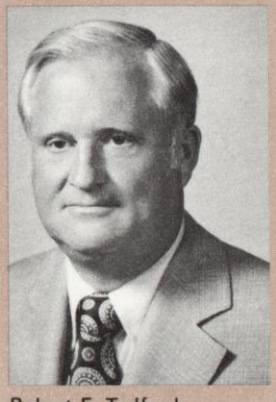
Chester A. Dorman

H. Wayne Kirby

Dudley G. Richardson



Leon W. Roush



Robert E. Tedford

GENERAL MANAGEMENT COMMITTEE

CLEVELAND PUBLIC LIBRARY
BUSINESS INF. BUR.
CORPORATION FILE

MESSAGE TO OUR SHAREHOLDERS and EMPLOYEES

New highs were established in sales, earnings, and dividends in 1973:

Sales	$2,290,498,000	– up 15%
Earnings	32,344,000	– up 6%
Per Share	.99	– up 5%
Per Share Diluted	.97	– up 5%
Dividend Per Share	.53	– up 8%

For the fourteenth consecutive year, a three percent stock dividend was issued. The quarterly cash dividend rate was raised to 13½ cents per common share effective with the June payment. Cash dividends have been paid on common shares quarterly since 1947.

The results of 1973 were affected by price controls, beef shortages, and strikes by Meat Cutters and Teamsters in California.

Lucky's gross profit margins were controlled during the year by the various phases of price control regulations. Lucky was forced to absorb increased wages and other higher operating expenses which were permitted to rise under these regulations.

The freeze of beef prices in the summer caused farmers to refuse to market beef. In some operating areas we had to resort to purchasing live cattle and arranging for expensive "custom slaughtering" in order to have product for our customers. During this period, meat gross profits were materially reduced.

The strikes by Meat Cutters and Teamsters in December, which affected most major California food retailers, reduced Lucky's sales and earnings in these operating areas during a period that normally is the most profitable time of the year.

In spite of these problems, Lucky's results compare most favorably with others in our industry.

In order to inform our shareholders and the financial community more completely, this year we began to report Lucky's results in greater detail. Sales and pre-tax earnings of the four major segments of the company for the last five years are shown on Page 4 of this report.

Results in new geographical areas entered in the past several years continue to improve although normal earnings have not yet been achieved. Some store openings were delayed by circumstances beyond our control; however, we did open 49 stores (including 17 discount centers and nine department stores), adding 1.5 million square feet to the company's retail operations (net of closing 23 stores). We spent $29 million refurbishing older stores, enlarging service facilities, and equipping new stores.

Our food and department store pricing remained highly competitive, enabling Lucky to sustain its strong store sales base (now about $4.5 million per food unit and $13.5 million per department store).

During the strikes by Meat Cutters and Teamsters, Lucky's food distribution facilities in San Leandro, California were closed from December 3 until December 20. Distribution facilities in Buena Park, California were seriously disrupted from December 3 until January 7, 1974. All department stores and many food stores remained open despite picket lines and were staffed by supervisory personnel and temporary employees. We deplore strikes. They are non-productive and cause hardships on employees as well as the company. Yet, sometimes union demands place such unreasonable restrictions on management's ability to improve productivity that agreements cannot be reached without a work stoppage.

We purchased four automotive jobber stores in North San Diego County, California. These stores became a part of the Automotive Division. We have four new or remodeled auto centers in San Diego County. These auto centers (about 8,000 square feet) combine tire-battery-accessory operations with a retail parts store on one site. We began operating the previously leased tire-battery-accessory operation in five of our Northern California department stores. The tire business remains highly competitive due to large retailers vying for a greater share of the steel belted radial tire market and the uncertainty of the energy crisis. The retail auto parts business continues strong.

We opened 13 fabric stores in 1973 and installed fabric departments in 17 of our department stores. We enlarged our Tupelo, Mississippi warehouse by 33,000 square feet to provide space for a bundling operation. This operation consists of buying large quantities of fabric from the mills. The rolls are inspected so that flaws can be cut out before the fabric is doubled and rolled onto bolts which are shipped to the stores. The facility can process over 20 million yards of fabric annually and will provide several benefits to our overall fabric operation.

Both the Automotive and Fabric Divisions continued to make substantial contributions to Lucky's earnings.

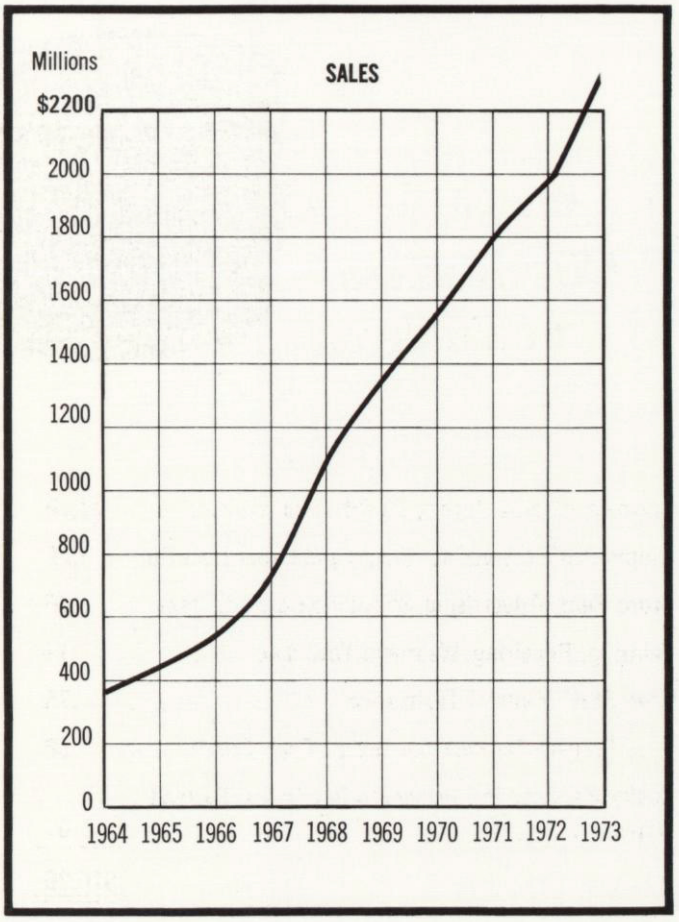
The ice cream plant was opened in Buena Park, California and began serving all of our California stores. This efficient 45,000 square foot facility is designed to produce ten million gallons of ice cream annually.

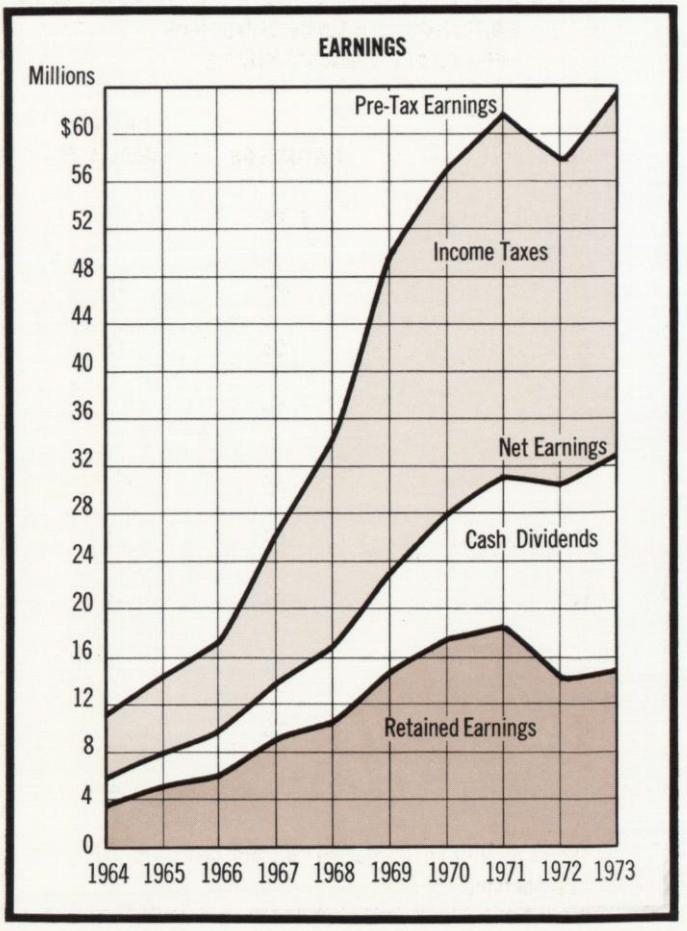
The energy crisis had no material effect on our 1973 results. We have effectively lowered our energy usage through such techniques as reducing or eliminating illumination in our facilities commensurate with public safety, security, and good business judgment. The present fuel allocation regulations indicate food operations will receive priority attention. Unless conditions deteriorate, we believe that Lucky's results in 1974 will not be seriously affected by fuel shortages.

Food chain stock prices continue to be depressed on the New York and American Stock Exchanges. Lucky's stock price has been remarkably good in comparison with others in our industry. The high and low stock price for Lucky may be found in the "10 Year Summary" included in this report.

We continue testing electronic cash registers in our food stores, working with various companies to determine our future needs for this new equipment. The Universal Product Code (an identifying symbol printed on the product package by the manufacturer) has been accepted by the industry. Significant progress continues to be made by manufacturers toward placing the Universal Product Code symbols on their products. These symbols, when available on most products, will eliminate marking the retail price on these products. Scanning devices, in conjunction with the electronic cash registers, will automatically record the prices and thus improve the accuracy and efficiency of check stand operation. We believe it will be several years before any substantial savings will result to retailers. The investment will be large. Equipment must be tested and carefully evaluated before full implementation of electronic cash registers is accomplished.

In April 1974 we expect to complete the statutory merger of Le Gran Corporation into a subsidiary of Lucky. Eight-tenths of a share of Lucky





will be issued for each Le Gran share. Le Gran is a California corporation with headquarters and a warehouse in Long Beach, California. Its common stock is listed on the American Stock Exchange and approximately 1,043,000 shares are outstanding. Le Gran operates jewelry departments in all of Lucky's Gemco and Memco membership department stores and operates fine jewelry departments in seven other locations.

We intend to open 50 to 60 stores in 1974, emphasizing discount centers. Our current estimate of openings by type of store is shown in the section covering "Expansion."

We face 1974 confident that our capable corporate, regional, and divisional personnel will respond to all challenges with the hard work and imagination necessary to achieve continued growth for Lucky in sales and earnings.

We sincerely appreciate the wisdom and guidance of Lucky's Board of Directors and the dedicated efforts of all Lucky employees.

W. H. Dyer, Jr.
Chairman of the Board

Wayne H. Fisher
President

EARNINGS AND CASH DIVIDENDS PER SHARE COMMON SHARE*

10 YEARS	EARNINGS	CASH DIVIDENDS
1973 (53 weeks)	$ .99	$ .53
1972	.94	.49
1971	.96	.46
1970	.89	.40
1969	.77	.33
1968 (53 weeks)	.57	.27
1967	.47	.18
1966	.32	.16
1965	.28	.13
1964 (53 weeks)	.20	.09

*Years prior to 1973 adjusted for stock dividends and distributions.

CAPITAL & FINANCIAL

FOURTH QUARTER RESULTS

	1973	1972
	(000 omitted other than per share)	
Sales	$640,020	$552,662
Earnings	10,201	10,679
Per Share	.31	.33*
Per Share Diluted	.31	.32*

*Adjusted for a 3 percent stock dividend.

DIVIDENDS on common shares in fiscal 1973 were:

March 28, 1973	12½¢ Per Share
June 28, 1973	13½¢ Per Share
July 22, 1973	3% Stock Dividend
September 28, 1973	13½¢ Per Share
December 28, 1973	12¢ Per Share
January 3, 1974	1½¢ Per Share

Regular cash dividends were paid quarterly on the preferred and preference shares.

REAL ESTATE SUBSIDIARIES

Lucky's wholly-owned real estate subsidiaries own properties, which are leased to Lucky, having an original cost of $59 million. These have been financed through various lending institutions with mortgages equal to the original investment. This permits us to own selected properties with no cash outlay and does not penalize earnings.

...for every $10 purchase at Lucky...

Farmers, Manufacturers, Distributors received	$7.70
Employees Received for Wages and Other Benefits	1.29
Store Rent, Advertising, Shopping Bags, etc. take	.46
Painting, Repairing, Wear-and-Tear take	.14
City, State, Federal Taxes take	.26
Shareholders Received for Use of Their Funds	.08
Lucky Retained in Business to Pay Debts, Expand, Replace	.07
	$10.00

FIVE YEAR SALES AND EARNINGS DATA
(Including poolings and acquisitions)

	SALES (In millions)	1973	1972	1971	1970	1969
	SUPERMARKETS	$ 939	$ 908	$ 873	$ 863	$ 838
	Percent of Total Sales	41.0%	45.7%	48.7%	54.7%	62.8%
	DISCOUNT CENTERS	$ 683	$ 543	$ 433	$ 318	$ 199
	Percent of Total Sales	29.8%	27.3%	24.1%	20.2%	14.9%
	TOTAL FOOD STORES	$ 1,622	$ 1,451	$ 1,306	$ 1,181	$ 1,037
	Percent of Total Sales	70.8%	73.0%	72.8%	74.9%	77.7%
***	DEPARTMENT STORES	$ 594	$ 450	$ 385	$ 310	$ 233
	Percent of Total Sales	26.0%	22.6%	21.5%	19.6%	17.4%
	Food as Percent of Department Stores	39.9%	40.3%	40.8%	42.3%	41.2%
	Concession Sales	$ (92)	$ (65)	$ (53)	$ (43)	$ (34)
	Percent of Department Stores	15.5%	14.5%	13.6%	13.8%	14.8%
	FABRICS	$ 101	$ 91	$ 91	$ 72	$ 49
	Percent of Total Sales	4.4%	4.6%	5.1%	4.6%	3.7%
*	OTHER	$ 65	$ 61	$ 65	$ 57	$ 50
	Percent of Total Sales	2.8%	3.1%	3.6%	3.6%	3.7%
	TOTAL SALES (Excluding Concession Sales)	$ 2,290	$ 1,988	$ 1,794	$ 1,577	$ 1,335

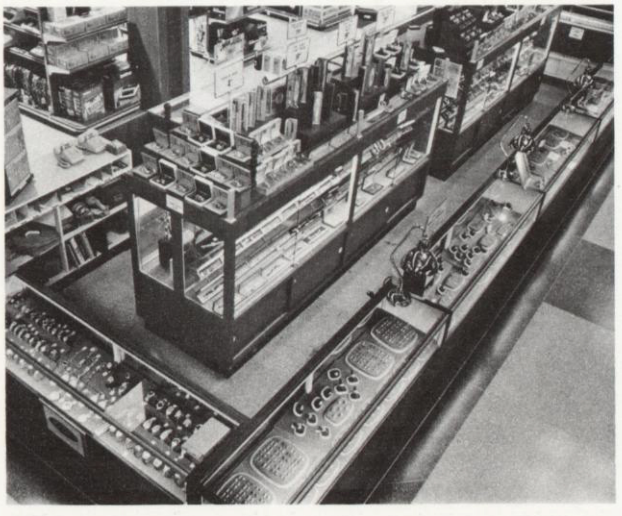
SALES PER SQUARE FOOT NET SELLING SPACE	1973	1972	1971	1970	1969
FOOD STORES	$ 292	$ 280	$ 270	$ 267	$ 237
DEPARTMENT STORES	188	177	175	184	173
FABRIC STORES	52	53	67	— — Not Available — —	

	EARNINGS – PRE-TAX (In thousands)	1973	1972	1971	1970	1969
**	FOOD STORES	$33,373	$33,352	$34,963	$34,438	$31,239
	Percent of Total Earnings	53.5%	58.1%	57.1%	60.7%	63.2%
***	DEPARTMENT STORES	$13,344	$11,946	$12,649	$12,032	$10,580
	Percent of Total Earnings	21.4%	20.8%	20.7%	21.2%	21.4%
	FABRICS	$12,091	$ 9,207	$ 9,728	$ 7,744	$ 5,249
	Percent of Total Earnings	19.4%	16.0%	15.9%	13.7%	10.6%
*	OTHER	$ 3,522	$ 2,929	$ 3,838	$ 2,533	$ 2,398
	Percent of Total Earnings	5.7%	5.1%	6.3%	4.4%	4.8%
	TOTAL EARNINGS	$62,330	$57,434	$61,178	$56,747	$49,466****

* Including Automotive and Drug
** Supermarkets and Discount Centers
*** All departments including Food
**** Excluding non-recurring gain

le Gran

Le Gran operates 55 leased departments located in Arizona, California, Hawaii, Illinois, Maryland, Texas and Virginia. Forty-Eight of these leased departments are in either Gemco or Memco Department Stores, and 2 are located in Lucky Discount Centers. Le Gran sells jewelry, photographic equipment, calculators, radios, luggage, typewriters, tape recorders, electric shavers and silverware.



LUCKY STORES, INC.
CONSOLIDATED BALANCE SHEET

ASSETS	February 3, 1974	January 28, 1973
Current assets:		
Cash and short-term securities	$ 801,000	$ 13,747,000
Accounts receivable	24,959,000	20,660,000
Merchandise inventories	207,691,000	170,580,000
Prepaid expenses and supplies	11,039,000	8,797,000
Properties held for sale and leaseback	1,548,000	4,033,000
Total current assets	246,038,000	217,817,000
Property, plant and equipment, at cost, less accumulated depreciation and amortization (Note 2):		
Lucky Stores, Inc.	124,587,000	114,509,000
Real estate subsidiaries	50,959,000	49,146,000
	175,546,000	163,655,000
Licenses, long-term receivables and other assets	6,331,000	5,994,000
Excess of purchase price over net tangible assets acquired	13,981,000	13,981,000
	$441,896,000	$401,447,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current instalments on long-term obligations	$ 8,904,000	$ 4,120,000
Accounts payable and accrued expenses	165,025,000	138,117,000
Estimated taxes on income	2,493,000	8,095,000
Total current liabilities	176,422,000	150,332,000
Long-term obligations – instalments due after one year (Note 3):		
Lucky Stores, Inc.	31,218,000	38,313,000
Real estate subsidiaries	51,760,000	49,702,000
	82,978,000	88,015,000
Deferred taxes on income	11,160,000	8,218,000
Shareholders' equity:		
Preferred and preference shares, authorized – 100,000 shares, $50 par value; 1,000,000 shares without par value (Note 4)	6,502,000	8,763,000
Common shares, authorized 100,000,000 shares, $1.25 par value – issued and outstanding 32,631,050 and 31,336,231 shares (Notes 4 and 5)	40,789,000	39,170,000
Capital in excess of par value of capital shares issued (Note 4)	79,615,000	67,349,000
Earnings retained for use in the business (Note 3)	44,430,000	39,600,000
Total shareholders' equity	171,336,000	154,882,000
Commitments and contingencies (Notes 8, 9, 10 and 11)		
	$441,896,000	$401,447,000

LUCKY STORES, INC.
CONSOLIDATED STATEMENT OF EARNINGS

	Fiscal Year Ended	
	February 3, 1974 (53 Weeks)	January 28, 1973 (52 Weeks)
Sales and operating revenues	$2,290,498,000	$1,988,376,000
Cost of goods sold	1,813,303,000	1,571,145,000
	477,195,000	417,231,000
Selling, general and administrative expenses	389,444,000	337,291,000
Provision for depreciation and amortization	18,679,000	16,043,000
Interest expense	6,742,000	6,463,000
	414,865,000	359,797,000
Earnings before income taxes	62,330,000	57,434,000
Estimated taxes on income (Note 7)	29,986,000	26,934,000
Net earnings for the year	$ 32,344,000	$ 30,500,000
Earnings per share, adjusted for 3% stock dividend in 1973:		
Assuming no dilution (based on weighted average shares of 32,451,713 and 32,133,234)	$.99	$.94
Assuming full dilution	$.97	$.92

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

	Fiscal Year Ended	
	February 3, 1974 (53 Weeks)	January 28, 1973 (52 Weeks)
Earnings retained for use in the business, beginning of year	$ 39,600,000	$ 41,619,000
Net earnings for the year	32,344,000	30,500,000
	71,944,000	72,119,000
Dividends paid:		
On common shares:		
In cash – $.53 and $.50 per share	16,961,000	15,377,000
In common shares – 3%	10,206,000	16,771,000
On preferred and preference shares	347,000	371,000
	27,514,000	32,519,000
Earnings retained for use in the business, end of year	$ 44,430,000	$ 39,600,000

LUCKY STORES, INC.
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

	Fiscal Year Ended	
	February 3, 1974 (53 Weeks)	January 28, 1973 (52 Weeks)
Financial resources were provided by:		
Net earnings for the year	$32,344,000	$30,500,000
Add expenses not requiring expenditure of working capital in the year:		
Depreciation and amortization	18,679,000	16,043,000
Deferred taxes on income	2,942,000	1,618,000
Working capital provided by operations	53,965,000	48,161,000
Sales of property, plant and equipment	1,505,000	1,335,000
Increase in common shares and capital in excess of par value:		
Issued in exchange for convertible subordinated debentures	331,000	1,854,000
Proceeds from exercise of common stock options	1,086,000	1,491,000
Conversion of preferred and preference shares	2,261,000	298,000
Issuance of preference shares in exchange for assets of purchased companies		765,000
Long-term borrowings	4,199,000	5,799,000
Total resources provided	63,347,000	59,703,000
Financial resources were used for:		
Additions to property, plant and equipment:		
Lucky Stores, Inc.	28,765,000	33,670,000
Real estate subsidiaries	3,310,000	5,535,000
Cash dividends	17,308,000	15,748,000
Reductions in long-term debt:		
Through exchange of convertible subordinated debentures for common shares	331,000	1,854,000
Other	8,904,000	4,120,000
Increase in licenses, long-term receivables and other assets	337,000	888,000
Conversion of preferred and preference shares	2,261,000	298,000
Total resources used	61,216,000	62,113,000
Increase (decrease) in working capital	$ 2,131,000	($ 2,410,000)

ANALYSIS OF CHANGES IN WORKING CAPITAL

Increase (decrease) in current assets:		
Cash and short-term securities	($12,946,000)	($11,051,000)
Accounts receivable	4,299,000	4,933,000
Merchandise inventories	37,111,000	23,332,000
Prepaid expenses and supplies	2,242,000	1,851,000
Properties held for sale and leaseback	(2,485,000)	(5,110,000)
	28,221,000	13,955,000
(Increase) decrease in current liabilities:		
Current instalments on long-term obligations	(4,784,000)	(99,000)
Accounts payable and accrued expenses	(26,908,000)	(14,157,000)
Estimated taxes on income	5,602,000	(2,109,000)
	(26,090,000)	(16,365,000)
Increase (decrease) in working capital	$ 2,131,000	($ 2,410,000)

LUCKY STORES, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of accounting policies:

Consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiaries. All material inter-company items have been eliminated in consolidation.

Business combinations

The assets and results of operations of those businesses acquired in exchange for Lucky shares in transactions accounted for as poolings of interests are included in the financial statements as if they had always been subsidiaries; therefore, prior year's financial data is restated.

The net assets of those businesses acquired in transactions accounted for as purchases are recorded at their fair value at the acquisition date and financial reports include their operations only from that date. The excess of purchase price over net tangible assets acquired relates to acquisitions made prior to 1971 and is not being amortized since, in the opinion of management, the amount represents an asset with continuing value. Acquisitions consumated in 1973 and 1972 were not significant in relation to the consolidated financial statements.

Inventories

Inventories are valued at the lower of cost or market, with cost being determined on a first-in, first-out or average basis.

Plant and equipment

The Company provides for depreciation of buildings, fixtures and equipment mainly by the straight-line method using the estimated useful lives of the assets. Leasehold costs and improvements are amortized using the shorter of their estimated useful lives or the periods of the leases.

Maintenance, repairs and renewals of minor items are charged against income. Major renewals and betterments are charged to the appropriate property accounts. The accumulated depreciation applicable to properties retired or otherwise disposed of is offset against the cost of the property; the difference between the resulting net book value and the amount realized is either charged or credited to income.

Income taxes

Deferred income taxes arise because certain expenses, principally depreciation, are reported in different periods for income tax and financial accounting purposes.

The Company reflects the investment tax credit as a reduction in federal taxes ("flow-through" method) in the year eligible equipment is purchased and put into service.

Pension plan

The Company's practice is to contribute the estimated current service costs, and a portion of unfunded prior service cost, to the trust fund for the Retirement Plans for Salaried Employees. The Company also pays for various retirement plans covering most employees represented by collective bargaining agreements.

Pre-opening costs

The Company charges all pre-opening costs for a particular store against income in the year in which that store opens for business. Pre-opening costs are principally labor to stock the store, the initial advertising expense, store supplies and other expendables.

Earnings per share

Earnings per share assuming no dilution are based upon net earnings after dividends on preferred and preference shares and the weighted average number of outstanding common shares. Fully diluted earnings per share assumes conversion of the convertible preferred and preference shares and the 5% convertible subordinated debentures as of the beginning of the year and exercise of the outstanding stock options as of the beginning of the year with the proceeds from exercise being used to purchase common shares at the average market price during the year. Earnings used in the computation of fully diluted earnings per share reflect elimination of applicable preferred and preference dividend requirements and of applicable interest expense, net of related taxes on income.

NOTE 2 – Property, plant and equipment:

	Lucky Stores, Inc.		Real Estate Subsidiaries	
	February 3, 1974	January 28, 1973	February 3, 1974	January 28, 1973
Buildings	$ 10,599,000	$ 9,607,000	$38,879,000	$36,712,000
Leasehold costs and improvements	26,337,000	23,002,000		
Fixtures and equipment	168,985,000	150,646,000	4,499,000	3,613,000
	205,921,000	183,255,000	43,378,000	40,325,000
Less: Accumulated depreciation and amortization	83,331,000	70,804.000	7,936,000	6,439,000
	122,590,000	112,451,000	35,442,000	33,886,000
Land	1,997,000	2,058,000	15,517,000	15,260,000
	$124,587,000	$114,509,000	$50,959,000	$49,146,000

At February 3, 1974 all land, buildings and equipment owned by real estate subsidiaries and approximately $1,600,000 of land, buildings and equipment owned by Lucky Stores, Inc. were pledged to secure certain notes payable.

NOTE 3 – Long-term obligations – due after one year:

	February 3, 1974	January 28, 1973
Lucky Stores, Inc.:		
8½% sinking fund debentures, due in 1996	$25,000,000	$25,000,000
5% convertible subordinated debentures, due in 1993	2,163,000	2,494,000
5.48% Unsecured notes payable in equal annual instalments to 1976	1,170,000	1,753,000
6% unsecured notes payable, due in 1974		2,500,000
Unsecured note payable to bank with an interest rate ¾% above the bank's prime rate, due in 1974		4,084,000
Other	2,885,000	2,482,000
	31,218,000	38,313,000
Real estate subsidiaries:		
5-1/8% to 9-3/4% mortgage notes, payable $4,900,000 annually to 1982, $5,600,000 in 1983 and in decreasing amounts thereafter to 2001 (in each case including interest)	51,760,000	49,702,000
	$82,978,000	$88,015,000

The 8½% sinking fund debentures may be called at prices decreasing from 107.23% of face value in 1974 to 100% after 1990. The Company is obligated to deposit in a sinking fund $1,250,000 annually beginning April 14, 1977.

The 5% convertible subordinated debentures are convertible into common shares at a rate of 106 shares for each $1,000 in principal amount (equivalent to $9.42 per share). Debentures may be called at prices decreasing from 104% of face value in 1974 to 100% after 1989.

Long-term debt maturing and sinking fund deposits required in the four years after February 2, 1975 are as follows:

Fiscal year ending	Lucky Stores, Inc.	Real Estate Subsidiaries
1976	$1,801,000	$1,325,000
1977	976,000	1,414,000
1978	1,614,000	1,509,000
1979	1,563,000	1,611,000

Earnings retained for use in the business at February 3, 1974 are unrestricted as to cash dividends under applicable convenants contained in the long-term note agreements and indentures.

NOTE 4 – Shareholders' equity:

Capital share transactions and changes in capital in excess of par value of capital shares issued were as follows:

	Preferred and preference shares		Common shares		Capital in excess of par value of capital shares issued
	Shares	Amount	Shares	Amount	
Balance, January 30, 1972	161,224	$8,061,000	30,057,642	$37,572,000	$48,768,000
Issuance of preference shares in purchase transactions	20,000	1,000,000			(235,000)
Conversion of 5% convertible subordinated debentures and preferred and preference shares and retirement of preference shares	(5,959)	(298,000)	212,840	266,000	1,886,000
Approximate market value of common shares issued as a 3% stock dividend			909,023	1,136,000	15,635,000
Amount received on exercise of stock options			156,726	196,000	1,295,000
Balance, January 28, 1973	175,265	8,763,000	31,336,231	39,170,000	67,349,000
Conversion of 5% convertible subordinated debentures and preferred and preference shares	(45,229)	(2,261,000)	244,578	306,000	2,287,000
Approximate market value of common shares issued as a 3% stock dividend			942,711	1,179,000	9,027,000
Amount received on exercise of stock options			107,530	134,000	952,000
Balance, February 3, 1974	130,036	$6,502,000	32,631,050	$40,789,000	$79,615,000

The Company has nine series of preferred and preference shares outstanding. At February 3, 1974 and January 28, 1973 there were 5,070 and 5,085 shares of $50 par value outstanding, respectively; and 124,966 and 170,180 shares without par value outstanding, respectively. Each of the preferred and preference shares is entitled to one vote per share in respect to all matters subject to the vote of the shareholders and is redeemable at $50 per share after various stipulated dates. Substantially all preferred and preference shares are convertible into common shares at various dates on or before January 1, 1983; if all conversion privileges are exercised, 399,577 additional common shares will be issued.

At February 3, 1974 there were 1,305,420 authorized but unissued common shares reserved for issuance upon conversion of preferred and preference shares and 5% convertible subordinated debentures and exercise of outstanding stock options.

NOTE 5 – Stock option plans:

Under the qualified stock option plans, options to purchase common shares may be granted to key employees at not less than the fair market value at the time of grant. No option may be exercised within two years from the date of the grant (except to a limited extent in the event of the death of the optionee) or after the expiration of five years.

The following summarizes the activity under the stock option plans:

	Common shares	
	Options outstanding	Options authorized, not granted
Balance, January 30, 1972	793,741	1,080,580
Adjustment for 3% stock dividend	20,561	31,274
Options granted at $17.00 to $19.90 per share	130,150	(130,150)
Options exercised (representing options granted during years 1967 through 1970) at prices ranging from $7.28 to $16.26 per share	(156,726)	
Options terminated, of which 13,082 may not be regranted	(27,596)	14,514
Balance, January 28, 1973	760,130	996,218
Adjustment for 3% stock dividend	19,567	30,219
Options granted at $10.38 to $12.50 per share	117,900	(117,900)
Options exercised (representing options granted during years 1968 through 1970) at prices ranging from $8.57 to $16.26 per share	(107,530)	
Options terminated, of which 94,923 may not be regranted	(115,737)	20,814
Balance, February 3, 1974	674,330	929,351

The outstanding stock options at February 3, 1974 represent grants from 1969 through 1973 at prices ranging from $10.38 to $21.51 per share.

NOTE 6 – Pension plans:

The cost of the Company's noncontributory pension plans, which cover substantially all salaried employees, was $1,098,000 and $1,033,000 for the years ended February 3, 1974 and January 28, 1973, respectively.

NOTE 7 – Income taxes:

The provision for federal and state income taxes consists of:

	Fiscal year ended	
	February 3, 1974	January 28, 1973
Federal:		
Current	$25,358,000	$23,348,000
Deferred	2,307,000	2,174,000
Investment tax credit	(1,818,000)	(2,016,000)
Total Federal	25,847,000	23,506,000
State:		
Current	4,059,000	3,103,000
Deferred	80,000	325,000
Total State	4,139,000	3,428,000
Total estimated taxes on income	$29,986,000	$26,934,000

Effective income tax rates were 48.1% and 46.9% of net earnings before taxes for the years ended February 3, 1974 and January 28, 1973, respectively. Significant factors affecting the Company's effective income tax rates are as follows:

	Percent of pre-tax income	
	Fiscal year ended	
	February 3, 1974	January 28, 1973
Statutory federal tax rate	48.0%	48.0%
Investment tax credits earned	(2.9%)	(3.5%)
State income taxes, net of federal income tax effect	3.2%	2.9%
All other, net	(0.2%)	(0.5%)
Actual effective tax rate	48.1%	46.9%

NOTE 8 – Short-term borrowing and compensating balance arrangements:

The Company has a $35 million revolving line of bank credit. Borrowings pursuant to this line of credit bear interest at the prime rate. This arrangement expires May 15, 1974 and is subject to a compensating balance requirement, based upon bank ledger balances, equal to the greater of 10% of the line of credit or 20% of the credit utilized. The Company's cash balances, as set forth in the bank ledger, exceed the required compensating balance. There were no borrowings outstanding under the line of credit at February 3, 1974. Average borrowings outstanding and the average interest rate were $7,681,000 and 8.7%, and $4,946,000 and 5.6% for the years ended February 3, 1974 and January 28, 1973, respectively.

NOTE 9 – Long-term leases:

Most of the stores and certain other facilities are leased, some under "non-capitalized financing leases" as defined by the Securities & Exchange Commission (referred to below as "financing leases"). Rent expense was as follows:

	In Thousands of Dollars							
	Fiscal year ended							
	February 3, 1974 (53 weeks)				January 28, 1973 (52 weeks)			
	Financing leases	Sublease income*	Other leases	Total	Financing leases	Sublease income*	Other leases	Total
Minimum rentals	$21,514	($554)	$7,281	$28,241	$18,381	($544)	$6,427	$24,264
Contingent rentals based on sales in certain leased stores	4,553			4,553	3,228			3,228
Total rent expense	$26,067	($554)	$7,281	$32,794	$21,609	($544)	$6,427	$27,492

*Does not include rentals from concessionaires, reported as operating revenues.

Minimum rentals under noncancellable leases in effect at February 3, 1974, net of sublease income and concession rents, are as follows:

	In Thousands of Dollars			
Fiscal years ending in–	Financing leases	Other leases	Less sublease income	Total
1975	$ 24,583	$ 4,982	($ 5,642)	$ 23,923
1976	24,485	4,698	(5,371)	23,812
1977	24,322	4,256	(4,720)	23,858
1978	23,337	4,008	(4,284)	23,061
1979	23,092	3,677	(3,821)	22,948
1980-1984	106,892	11,893	(14,447)	104,338
1985-1989	91,718	4,686	(8,567)	87,837
1990-1994	73,967	254	(1,228)	72,993
After 1994	65,240	–0–	(87)	65,153

Many of the leases have renewal options for periods ranging from five to twenty-five years, and some provide that the Company may purchase the property at certain times during the initial lease period for approximately its estimated fair market value at that time. Some of the leases also require the Company to pay taxes and insurance on the leased property.

The present value of the minimum lease commitments under financing leases, based on interest rates ranging from 3-1/4% to 10-1/8%, is as follows:

	February 3, 1974	January 28, 1973
Minimum lease commitments	$228,768,000	$194,916,000
Less: Sublease income	(31,864,000)	(26,870,000)
	$196,904,000	$168,046,000

The weighted average interest rates implicit in the leases were 6.9% and 6.8% in the years ended February 3, 1974 and January 28, 1973, respectively.

If it is assumed that all financing leases were capitalized, the resulting lease rights amortized on a straight-line basis over the terms of the leases and interest expense accrued on the resulting liability, the amounts of such amortization and interest expense would be $7,983,000 and $12,234,000 and $6,947,000 and $9,666,000 for the years ended February 3, 1974 and January 28, 1973, respectively.

On the basis of the foregoing assumptions, which have the effect of charging to expense more than the actual rent paid in the first few years of a lease and less than the actual amount paid in later years, net income would have been reduced by $1,508,000 for the year ended February 3, 1974 and by $1,170,000 for the year ended January 28, 1973.

NOTE 10 – Litigation:

Legal proceedings have been brought against the Company for substantial damages under the antitrust laws and for certain other matters. Counsel has advised the Company that it has substantial defenses against these actions. Management is of the opinion that it is unlikely that these actions will have a material effect upon the financial condition of the Company.

NOTE 11 – Pending acquisition:

In 1973, the Company entered into an agreement to exchange up to 861,864 common shares of Lucky Stores, Inc. for all of the outstanding common stock of Le Gran Corporation. Le Gran principally operates the jewelry departments in the Company's membership department stores. This acquisition will be accounted for as a pooling of interests and is expected to be consummated, subject to Le Gran satisfying certain conditions, in April, 1974. Le Gran sales and net income for the year ended January 31, 1973 were $24,416,000 and $860,000, respectively. Results of Le Gran for the year ended January 31, 1974 were not available at the date of this printing.

Price Waterhouse & Co.

ORDWAY BUILDING, SUITE 1425, 2150 VALDEZ STREET, OAKLAND
CALIFORNIA 94612 · 415-832-0882

March 22, 1974

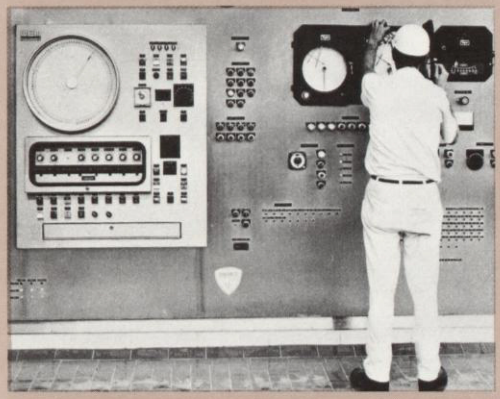
To the Board of Directors and
Shareholders of Lucky Stores, Inc.

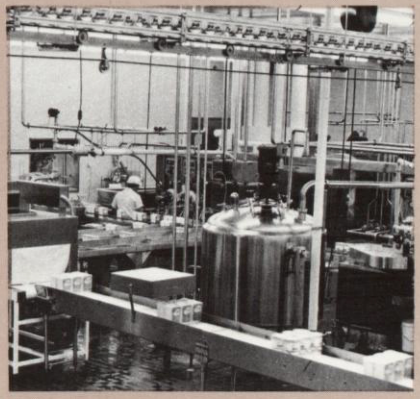
In our opinion, the accompanying consolidated balance sheet, the related consolidated statements of earnings, retained earnings and of changes in financial position present fairly the financial position of Lucky Stores, Inc. and its subsidaries at February 3, 1974 and January 28, 1973, the results of their operations and changes in financial position for the fiscal years then ended, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

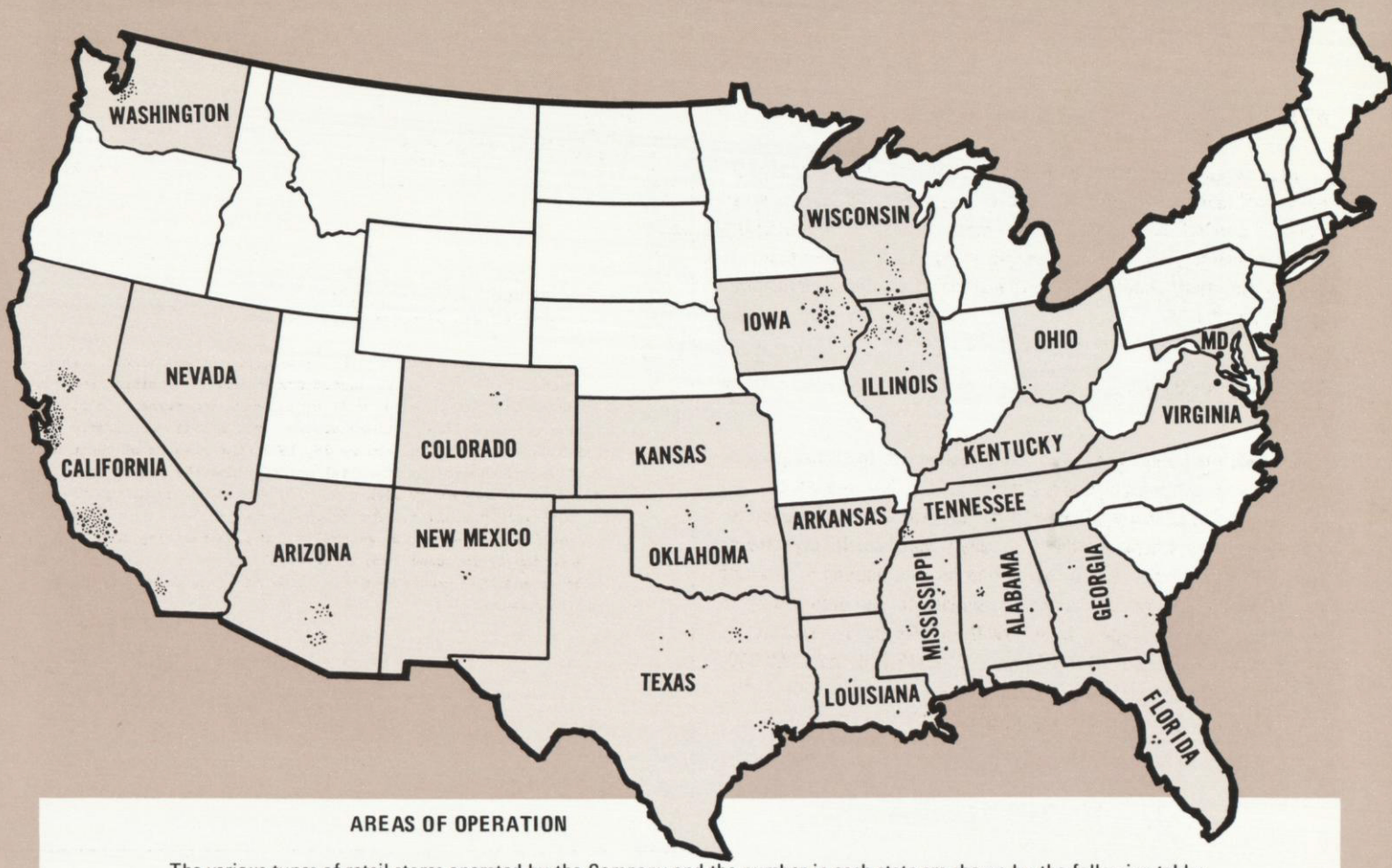
Price Waterhouse & Co.

NEW ICE CREAM PLANT

Space-age technology is evident at the new Lady Lee Ice Cream plant located at our Buena Park Distribution Center. Lady Lee Ice Cream is made from finest fresh milk and cream in small quantities to insure quality control. The "mix" is sweetened with liquid sugar and corn syrup, pasteurized and cooled until frozen. Once packaged, the ice cream is blast-frozen at 25 degrees below zero under a 55-mile wind velocity . . . resulting in a chill factor of 96 degrees below zero. At full capacity, the new plant can produce 80,000 half-gallons of ice cream daily. Unlike most ice creams, Lady Lee Vanilla is flavored with 100% real vanilla.







AREAS OF OPERATION

The various types of retail stores operated by the Company and the number in each state are shown by the following table:

State	Food* Stores	Dept. Stores	Drug Stores	Auto Stores	Sp. Goods Stores	Fabric Stores	Total Stores
Alabama						8	8
Arizona	23	1				6	30
Arkansas						6	6
California	214	35	2	47	4	3	305
Colorado						4	4
Florida						6	6
Georgia						7	7
Illinois	59	3	10				72
Iowa	23		11			1	35
Kansas						1	1
Kentucky						1	1
Louisiana						6	6
Maryland		3					3
Mississippi						6	6
Nevada	3						3
New Mexico						3	3
Ohio						3	3
Oklahoma						7	7
Tennessee						8	8
Texas	7	3				26	36
Virginia		3					3
Washington	19					5	24
Wisconsin	14		1				15
Total: 23 states	362	48	24	47	4	107	592

* Supermarkets or discount centers

SUPERMARKETS

DISCOUNT CENTERS

DEPARTMENT STORES

DRUG STORES

FABRIC STORES

AUTOMOTIVE STORES

OTHER STORES

TOTAL STORES

STORES OPENED AND CLOSED DURING PAST FIVE YEARS

(Square feet in thousands)

	Plan 1974	1973	1972	1971	1970	1969
Stores opened	2	1	3	9	8	8
Stores closed	4	15	4	8	6	6
Converted to discount centers	–	2	3	5	9	8
Year end	226	228	244	248	252	259
Average square feet	20	20	20	20	20	20
Total square feet	4,603	4,652	4,935	4,960	5,066	5,180
Stores opened	26	17	22	15	14	11
Stores closed	–	–	–	–	–	–
Converted from supermarkets	–	2	3	5	9	8
Year end	160	134	115	90	70	47
Average square feet	31	31	31	31	32	31
Total square feet	4,995	4,216	3,579	2,835	2,209	1,457
Stores opened	3	9	7	4	7	3
Stores closed	–	–	–	–	–	–
Year end	51	48	39	32	28	21
Average square feet	109	109	108	108	107	106
Total square feet	5,582	5,252	4,215	3,440	3,007	2,216
Stores opened	–	–	–	1	2	–
Stores closed	1	5	1	3	3	1
Year end	23	24	29	30	32	33
Average square feet	13	13	13	13	13	12
Total square feet	288	303	365	390	414	396
Stores opened	16	13	17	10	24	15
Stores closed	6	2	2	–	–	–
Year end	117	107	96	81	71	47
Average square feet	16	16	15	15	15	15
Total square feet	1,851	1,669	1,486	1,215	1,065	705
Stores opened	14	9	4	8	3	3
Stores closed	7	1	1	–	–	–
Year end	54	47	39	36	28	25
Average square feet	6	6	5	5	4	4
Total square feet	325	265	200	167	123	108
Stores opened	–	–	2	1	6	2
Stores closed	–	–	42	3	11	5
Year end	4	4	4	44	46	51
Total square feet	33	33	33	282	282	306
Stores opened	61	49	55	48	64	42
Stores closed	18	23	50	14	20	12
Total stores	635	592	566	561	527	483
Total square feet of stores opened (net of closing)	1,287	1,577	1,524	1,121	1,800	1,319
Total square feet of stores operated at year end	17,677	16,390	14,813	13,289	12,168	10,368

PICTORIAL FROM CARMICHAEL

A NEW STORE REPLACES OLDER ONE!

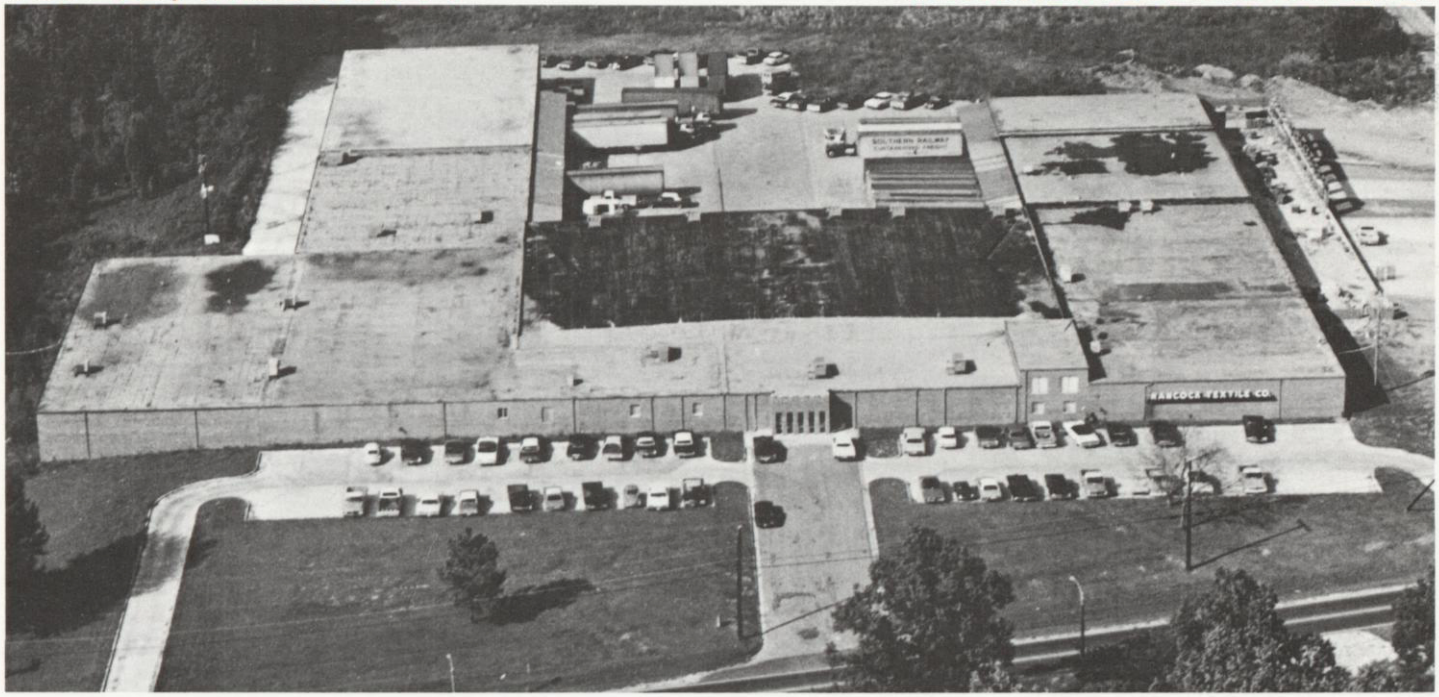
Typical of Lucky's program to convert supermarkets to discount centers is the store in Carmichael, California. Originally opened on February 1, 1953, the store was extensively remodeled in November, 1962. When it became evident that the existing structure was again too small, a newer version was planned for the existing property. Patient customers sidestepped construction until a new store, #314, opened on May 16, 1973. The new store virtually doubled sales space and gave our Carmichael customers a wide selection of general merchandise in addition to the usual selection of food items.

Lucky has converted 27 supermarkets to the larger discount centers in the last five years.

GROWTH OF DISTRIBUTION CENTERS

TUPELO, MISSISSIPPI

HANCOCK TEXTILE-DISTRIBUTION CENTER



SAN JOSE, CALIFORNIA

KRAGEN AUTOMOTIVE-DISTRIBUTION CENTER

BUENA PARK,
CALIFORNIA

MILAN,
ILLINOIS

SERVICE FACILITIES

FOOD DISTRIBUTION, MANUFACTURING, AND PROCESSING FACILITIES

Location	San Leandro Ca.	Buena Park Ca.	Milan Ill.	Sacramento Ca.	Phoenix Ariz.	Pico Rivera Ca.	Totals
Stores Served	131	166	136	38	34		
Land	65 Acres	69 Acres	49 Acres	3 Acres	3 Acres	3 Acres	192 Acres
Buildings:							
Food Distribution	964,000 sq. ft.	1,150,000 sq. ft.	766,000 sq. ft.	18,000 sq. ft.	25,000 sq. ft.	–	2,923,000 sq. ft.
Bakery	69,000 sq. ft.	60,000 sq. ft.	49,000 sq. ft.	–	–	–	178,000 sq. ft.
Meat Processing	85,000 sq. ft.	140,000 sq. ft.	–	–	–	–	225,000 sq. ft.
Milk Processing	34,000 sq. ft.	34,000 sq. ft.	–	–	–	–	68,000 sq. ft.
Delicatessen Packaging	14,000 sq. ft.	–	–	–	–	–	14,000 sq. ft.
Ice Cream Manufacturing	–	46,000 sq. ft.	–	–	–	–	46,000 sq. ft.
Household Chemicals	–	–	–	–	–	48,000 sq. ft.	48,000 sq. ft.
Total Bldgs.	1,166,000 sq. ft.	1,430,000 sq. ft.	815,000 sq. ft.	18,000 sq. ft.	25,000 sq. ft.	48,000 sq. ft.	3,502,000 sq. ft.

NON-FOOD DISTRIBUTION CENTERS

Location	Type	Size	Stores Served
Pico Rivera, Calif.	Soft Goods	120,000 sq. ft.	186
Los Angeles, Calif.	Appliance	31,000 sq. ft.	23
San Francisco, Calif.	Appliance	35,000 sq. ft.	13
San Diego, Calif.	Automotive	233,000 sq. ft.	41 + Wholesale
San Jose, Calif.	Automotive	73,000 sq. ft.	34 + Wholesale
Tupelo, Miss.	Fabric	133,000 sq. ft.	107 + Wholesale
New York, N. Y.	Soft Goods	10,000 sq. ft.	35

CORPORATE HEADQUARTERS

Dublin, Calif. 37,000 sq. ft.

10 YEAR SUMMARY

	53 Weeks 1973	52 Weeks 1972	52 Weeks 1971	52 Weeks 1970	52 Weeks 1969†	53 Weeks 1968	52 Weeks 1967	52 Weeks 1966	52 Weeks 1965	53 Weeks 1964
SALES										
Total Dollar Sales	$2,290,498,000	$1,988,376,000	$1,793,613,000	$1,576,981,000	$1,334,738,000	$1,076,591,000	$685,315,000	$512,912,000	$435,353,000	$382,784,000
Percentage Increase Over Prior Year	15.2	10.9	13.7	18.1	24.0	57.1	33.6	17.8	13.7	18.1
10 Year Compounded Rate of Increase	21.5									
Average Annual Sales Per Food Unit	4,522,000	4,224,000	4,027,000	3,854,000	3,545,000	3,091,000	3,168,000	2,461,000	2,325,000	2,126,000
EARNINGS										
Before Taxes on Income	$62,330,000	$57,434,000	$61,178,000	$56,747,000	$49,466,000	$33,904,000	$25,480,000	$17,167,000	$14,367,000	$11,425,000
Income Taxes	29,986,000	26,934,000	30,415,000	28,773,000	26,411,000	17,439,000	12,018,000	7,923,000	6,462,000	5,704,000
Net Earnings	32,344,000	30,500,000	30,763,000	27,974,000	23,055,000	16,465,000	13,462,000	9,244,000	7,905,000	5,721,000
Percentage Increase Over Prior Year	6.0	(.9)	10.0	21.3	40.0	22.3	45.6	16.9	38.2	44.6
As a Percent of Sales	1.4	1.5	1.7	1.8	1.7	1.5	2.0	1.8	1.8	1.5
As a Percent of Common Shareholders' Equity	19.6	20.9	24.0	26.3	31.7	33.4	38.2	30.6	30.2	23.1
10 Year Compounded Rate of Increase	23.4									
Earnings Per Common Share*	.99	.94	.96	.89	.77	.57	.47	.32	.28	.20
Earnings Per Share – Fully Diluted*	.97	.92	.93	.85	.72	.53	.46	.32	.28	.20
DIVIDENDS										
Total Cash Dividends Paid on Preferred Shares	$ 347,000	$ 371,000	$ 335,000	$ 224,000	$ 198,000	$ 95,000	$ 237,000	$ 169,000		
Total Cash Dividends Paid on Common Shares	16,961,000	15,377,000	12,810,000	10,960,000	8,571,000	6,657,000	4,309,000	3,801,000	$2,986,000	$2,009,000
Percentage of Net Earnings	53.5	51.6	42.7	40.0	38.0	41.0	33.8	42.9	37.8	35.1
Dividends Paid Per Common Share:										
In Cash*	.53	.49	.46	.40	.33	.27	.18	.16	.13	.09
In Shares	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Common Share Distribution			100%		100%			100%		
SHAREHOLDERS										
Number of Common Shareholders of Record	36,491	33,558	29,485	25,276	23,658	21,365	21,080	20,170	19,150	18,982
Number of Common Shares Outstanding	32,631,050	31,336,231	30,057,642	12,781,766	11,949,440	5,468,433	5,018,435	4,836,232	2,338,412	2,253,914
Price Range of Common Shares on NYSE*	15.63 – 9.88	21.48 – 12.74	21.56 – 14.85	18.07 – 10.30	14.99 – 10.00	11.91 – 7.14	8.35 – 3.56	4.80 – 3.05	4.23 – 3.26	3.34 – 1.84
OTHER INFORMATION										
Current Assets	$246,038,000	$217,817,000	$203,862,000	$166,903,000	$129,103,000	$99,580,000	$65,960,000	$44,887,000	$44,410,000	$35,410,000
Current Liabilities	176,422,000	150,332,000	133,967,000	124,007,000	98,182,000	73,049,000	47,964,000	33,741,000	33,660,000	25,268,000
Working Capital	69,616,000	67,485,000	69,895,000	42,896,000	30,921,000	26,531,000	17,996,000	11,146,000	10,750,000	10,142,000
Long Term Debt – Operating Companies	31,218,000	38,313,000	42,836,000	22,899,000	33,169,000	47,085,000	6,140,000	7,001,000	7,797,000	6,714,000
Long Term Debt – Realty Subsidiaries	51,760,000	49,702,000	45,354,000	46,342,000	41,012,000	32,730,000	23,667,000	17,297,000	11,687,000	6,197,000
Shareholders' Equity										
Preferred	6,502,000	8,763,000	8,061,000	8,072,000	8,074,000	4,483,000	10,169,000	4,479,000	4,472,000	
Common	164,834,000	146,119,000	127,959,000	106,396,000	72,800,000	49,337,000	35,257,000	30,215,000	26,215,000	24,795,000
Per Common Share*	5.05	4.53	4.01	3.40	2.67	1.80	1.32	1.27	1.11	1.05
Capital Expenditures – Operating Companies	28,765,000	33,670,000	29,728,000	24,413,000	21,590,000	15,428,000	7,620,000	7,966,000	7,153,000	6,160,000
Capital Expenditures – Realty Subsidiaries	3,310,000	5,535,000		6,250,000	8,910,000	9,778,000	6,483,000	5,887,000	5,535,000	3,943,000
Depreciation	18,679,000	16,043,000	13,669,000	12,289,000	10,175,000	8,516,000	5,326,000	4,724,000	4,350,000	4,030,000
Merchandise Inventories	207,691,000	170,580,000	147,248,000	125,491,000	99,878,000	78,126,000	47,876,000	37,882,000	31,816,000	25,165,000
Interest Expense	6,742,000	6,463,000	5,671,000	5,834,000	4,717,000	4,154,000	1,422,000	1,316,000	938,000	667,000
Investment Credit	1,818,000	2,016,000	740,000	631,000	839,000	1,034,000	424,000	494,000	434,000	222,000
Federal and State Income Taxes – Tax Rate as a Percent of Earnings Before Taxes on Income.	48.1	46.9	49.7	50.7	53.4	51.4	47.2	46.2	45.0	49.9
Number of Employees	34,000	32,500	31,000	26,000	23,300	19,700	10,400	8,300	6,900	5,500

*Years prior to 1973 have been adjusted for share dividends and distributions

†Earnings exclude non-recurring gain in 1969

DIRECTORS:

† Gerald A. Awes—Chairman of the Executive Committee

◊ Dr. Reed L. Buffington—President of Chabot College, Hayward, California

† William H. Dyer, Jr.—Chairman of the Board and Chief Executive Officer

†◊ F.A. Ferroggiaro—(Honorary Chairman). Retired. Formerly Chairman of the Board of Bank of America

† Wayne H. Fisher—President

Don C. Frisbee—Chairman of the Board of Pacific Power and Light Company, Portland, Oregon

John H. Hoefer—Chairman of the Board of Hoefer, Dieterich & Brown, San Francisco, California

Ivan Owen—Senior Vice President and Treasurer

James A. Petit—President, Rancho Del Viento Inc., King City, California

◊ Forrest A. Plant—Partner of Diepenbrock, Wulff, Plant & Hannegan, Sacramento, California

◊ Dwight E. Stanford—Senior Partner of Stanford & McDonough, San Diego, California

James L. Stell—Executive Vice President

Joseph A. Woods, Jr.—Partner of Donahue, Gallagher, Thomas & Woods

Director Emeritus: Frank S. Richards

† Executive Committee

◊ Audit Committee

OFFICERS:

William H. Dyer, Jr.—Chairman of the Board and Chief Executive Officer
Wayne H. Fisher—President
Gerald A. Awes—Chairman of the Executive Committee
James L. Stell—Executive Vice President
Ivan Owen—Senior Vice President and Treasurer
S. Donley Ritchey—Senior Vice President
Richard C. Biagi—Vice President
Theodore F. Brunner—Vice President
Kenneth W. Cope—Vice President
Chester A. Dorman—Vice President
Chester B. England—Vice President
H. Wayne Kirby—Vice President
Dudley G. Richardson—Vice President
Leon W. Roush—Vice President
Reino A. Saari—Vice President
Jerry J. Sgobassi—Vice President
William H. Shea—Vice President
Robert E. Tedford—Vice President
Henry Edwards—Secretary and Assistant Treasurer
John A. Button—Assistant Secretary
Harold B. Johnson—Assistant Secretary
Robert MacIntosh—Assistant Secretary
Robert Moore—Assistant Secretary
Jack B. Nicholson—Assistant Secretary
Delbert J. Peterson—Assistant Secretary

TRANSFER AGENTS — REGISTRARS

COMMON SHARES

Bank of America N. T. & S. A.
World Headquarters Bldg.
San Francisco, Calif. 94120

United California Bank
405 Montgomery Street
San Francisco, Calif. 94104

Marine Midland Bank – New York
New York, N. Y. 10015

Manufacturers Hanover Trust Company
New York, N. Y. 10015

PREFERRED SHARES

Bank of America N. T. & S. A.
World Headquarters Bldg.
San Francisco, Calif. 94120

United California Bank
405 Montgomery Street
San Francisco, Calif. 94104

COUNSEL

Donahue, Gallagher, Thomas & Woods
436 – 14th Street
Oakland, California 94612

EXECUTIVE OFFICES: 6300 Clark Avenue, Dublin, Calif. 94566

Common Stock traded: New York and Pacific Stock Exchanges. Symbol: LKS

Lucky LUCKY STORES, INC.
6300 CLARK AVENUE, DUBLIN, CALIFORNIA 94566

DUBLIN CALIF. U.S.POSTAGE .16 PB.582076

02493 CLEVELAND PUBLIC LIBRARY
AT BUS & TECHNOLOGY DEPT
CLEVELAND 14 OHIO 44114